
STATE OF INDIANA

DISTRESSED UNIT APPEAL BOARD



**ONE NORTH CAPITOL AVENUE, SUITE 900
INDIANAPOLIS, IN 46204
PHONE (317) 234-2273**

Distressed Unit Appeal Board Meeting Memorandum

August 20, 2020

Call to Order: A meeting of the Distressed Unit Appeals Board (“DUAB” or “Board”) was held August 20, 2020, at 10:00 a.m. EDT via WebEx. Members of the Board attending the meeting included Justin McAdam, Chairman, Wes Bennett, Tracy Brown, Paul Joyce, Rebecca Kubacki, Representative Jeff Thompson and Representative Vernon Smith. Courtney Schaafsma, Executive Director, was also in attendance.

Chairman McAdam called the meeting to order and recognized compliance with the Open Door Law.

Chairman McAdam introduced agenda item three – Approval of Minutes. Mr. Joyce made a motion to approve the minutes as presented. Ms. Kubacki seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item four – Public Comment. He overviewed the process for public comment and turned it over to Ms. Schaafsma to facilitate the public’s participation.

Dr. Michaela Spangenburg thanked the Board for allowing public comment. She spoke on her fears surrounding the referendum – passing it and the funds not being used as advertised or not passing it and looking unwilling to support Gary Community School Corporation (“GCSC”). She requested the Board review their decision to renew MGT’s contract.

Ms. Tracy Coleman stated her concern that students have already missed three days of school due to a storm. She spoke to internet issues in some areas of Gary and her concern that students will be penalized for not being able to connect to eLearning. She asked DUAB to facilitate an independent investigation to see if GCSC is equipped with the tools they need for distance learning. She also voiced concerns about the referendum and community expenses.

Ms. Kendra Johnson stated her concern with parents not being able to assist students with eLearning or having to rearrange their schedules to stay with students. She suggested using Title I funds to help train parents on the eLearning technology so students can fully access their lessons. She also stated that she missed her son’s graduation from West Side because she was not notified of it in a timely manner.

Mr. Buggs shared his concerns about information to do with the referendum not being shared with the public. He also expressed his concern about not receiving information about GCSC’s deficit reduction and the extension of MGT’s contract.

Chairman McAdam thanked the members of the community who spoke for sharing their comments and concerns.

Chairman McAdam introduced agenda item five – GCSC Manager Update. Dr. Paige McNulty updated the Board on the beginning of the school year. She acknowledged that there was a storm that hit Northwest Indiana and noted that schools are once again in session. She acknowledged that eLearning is a new endeavor for all involved and noted that trainings are forthcoming. Dr. McNulty also mentioned Naomi Martin, a fine arts student who had

recently been recognized with a national award. Chairman McAdam asked if she felt GCSC has sufficient funding and resources to conduct eLearning and Dr. McNulty said that they do have enough Chromebooks and laptops, and recognized that they will need to acquire more PPE. Rep. Smith asked for an explanation on the technology issues faced after the storm and why the start of school was delayed. Dr. McNulty explained that the T-Mobile towers were impacted and the hotspots could not be accessed by students, as a result they had to delay the start of school until students could connect to their lessons. Rep. Smith asked how enrollment compares to years past. Dr. McNulty explained that she is using a new student tracking system this year that tracks students who are participating in classes and not just enrolled. She stated that the student number discussed earlier does not directly compare with previous years' enrollment numbers, and added that they are on track with last year. Chairman McAdam asked if she knew how many Roosevelt students stayed with GCSC and Dr. McNulty answered about 40 percent. Rep. Smith asked why those students did not automatically become part of GCSC. Chairman McAdam asked Dr. McNulty to clarify that process and Dr. McNulty explained that when the school was dissolved those families has a choice and that they were not allowed to automatically enroll them as GCSC students. Mr. Bennett asked Dr. McNulty to speak on their status of hiring a CFO. Dr. McNulty answered that they have hired a previous consultant as their CFO. Mr. Bennett stated that the Chromebook was the most compatible and top choice electronic textbook for eLearning statewide and asked Dr. McNulty to confirm. Dr. McNulty confirmed that to be researched and true. Rep. Smith asked if some of the grant money received will be used for parent training and Dr. McNulty confirmed.

Dr. McNulty introduced GCSC's Chief Academic Officer Kimberly Bradley. Ms. Bradley stated that she is glad to be back in Gary.

Chairman McAdam introduced Rob Tanner to give an update on the School Improvement Fund. Mr. Tanner stated that they are currently reviewing submitted bids from architects that responded to the RFP. He also gave updates on painting and graphics as well as a new playground. He added that there is preference for Gary businesses and women and minority owned businesses. Chairman McAdam asked if the projects are on track and Mr. Tanner said that they are, although they may have to adjust the phases to spread projects out and not artificially inflate the projects. Chairman McAdam asked if they have received a lot of inquiries from Gary businesses and minority and women owned businesses. Mr. Tanner answered that they largest RFP put out so far has been for an architect and none of the responses were from Gary businesses and only one was from a minority owned business. Chairman McAdam asked how they are getting the word out about the opportunity. Mr. Tanner stated that they are working with the Gary Chamber of Commerce. Chairman McAdam asked if these preferences are being used for all purchasing initiatives, not just HEA 1065. Mr. Parish answered that they have used those preferences in the past and will use the HEA 1065 rubric going forward. Mr. Bennett asked if the RFP for an architect is for phase one or all phases. Mr. Tanner answered that this will be the architect throughout the many phases. Mr. Bennett asked if weather will impact the playground installation and Mr. Tanner answered that it should not impact the equipment installation. Mr. Bennett asked for clarification on size of the playground and Mr. Tanner answered likely 2,000 square feet excluding the swing set area. Mr. Parish asked Mr. Tanner to clarify what the architect will be hired to handle. Mr. Tanner answered that they will do more than draw up blueprints and gave examples of projects they will complete. Chairman McAdam clarified that they will be the expert on the ground making sure everything gets done to code and Mr. Tanner confirmed. Rep. Smith asked for more information on the banners. Mr. Tanner answered that there will be banners both inside and outside the school that will display the school mascot and phrases of encouragement among other things. Rep. Smith asked clarifying questions and Mr. Tanner answered and clarified that the banners are not part of HEA 1065. Dr. McNulty explained that those funds are coming from capital.

Chairman McAdam introduced agenda item six – Consideration of Contract between DUAB and Gary Schools Recovery, LLC for GCSC. He then gave a brief overview of the contract process so far and reminded the Board that the contract is funded through the state. He overviewed the contract and highlighted that it will remove “emergency” from the title of the management team. He also reminded the Board that, if approved, the contract will still have to go through the state's contract approval process. Rep. Smith asked if there will be a chance for

question and answers sessions with MGT for the community and Chairman McAdam there is an expectation that they will entertain questions as well as a collection of FAQs of GCSC's website. Rep. Smith asked about the performance incentives and Chairman McAdam answered that it ties their compensation to what is expected of them. Rep. Smith asked why there aren't penalties for underperformance and Chairman McAdam explained that the incentives are the same idea phrased in a positive way. Rep. Smith asked about the annual finance report and Ms. Schaafsma clarified that GCSC is working on confirming that all necessary forms and documents had been submitted. Mr. Parish added that he knew the 2019 reports are available on the website. Rep. Smith asked about the status of the audit findings and Mr. Parish answered that the next audit is just getting underway. Chairman McAdam clarified that some of the findings take multiple years to address and Mr. Joyce confirmed. Rep. Smith asked about the removal of the work "emergency" and Chairman McAdam stated that it is a symbolic gesture and that it does not have statutory impact. Rep. Smith would like to see a provision regarding the preference of Gary businesses and minority owned businesses in the contract. Chairman McAdam answered that it would be best addressed by GCSC. Rep. Smith expressed concern about the performance assessment process. Chairman McAdam gave context to how the assessment system was selected. Dr. McNulty added information on the vendor. Rep. Smith asked clarifying questions about specific portions of the contract and Chairman McAdam answered. Ms. Brown asked how the benchmarks would be impacted if there is a decision at the federal level to waive assessments. Chairman McAdam stated that there is a section that addresses what could be renegotiated if COVID-19 does impact them. He added that if the state offers the assessments, the benchmarks remain. Ms. Kubacki thanked Chairman McAdam and Ms. Schaafsma for walking them through the complicated contract. Chairman McAdam stated that it was a team effort. Mr. Bennett echoed Ms. Kubacki's comments. Rep. Smith thanked members of the Board. Mr. Joyce stated that this is not something they enjoy doing and made a motion to approve the contract. Ms. Kubacki seconded the motion. Ms. Brown reiterated that DOE still believes that a one year contract would be best but having made that point already, voted for the motion. The motion passed 5-0.

Chairman McAdam asked if there was any new business and seeing none adjourned the meeting.